

OLL 83-1950

22 August 1983

MEMORANDUM FOR THE RECORD

FROM: [REDACTED]

Legislation Division, OLL

SUBJECT: S. 272, "Commerce Business Daily"

1. On 2 August 1983, I received a request for the views of the CIA on enrolled bill S. 272, a bill to improve small business access to federal procurement information. S. 272 was reported from the conference committee on 23 June 1983. The Senate approved the Conference Report (H.R. Rep. No. 98-263) on 27 June 1983 and the House adopted the report (as modified and concurred in by the Senate) on 1 August 1983. The enrolled bill was transmitted to the President on 2 August 1983.

2. Contemporaneous with my receipt of the enrolled bill request, I also received a memorandum from [REDACTED] Deputy Chief, Logistics & Procurement Law Division, OGC, dated 29 July 1983, that identified difficulties the Agency had with S. 272 as reported from conference. Specifically, [REDACTED] identified the requirement that sole source procurements over a threshold amount (\$1 million in FY 84, \$500,000 in FY 85 and \$300,000 in FY 86) must be approved by the head of the procuring activity or his deputy on a non-delegable basis. [REDACTED] was responding to a 29 June 1983 memo from [REDACTED] that alerted [REDACTED] to a new non-delegable sole source approval requirement added in conference. [REDACTED] memo indicated that congressional action on the conference report was imminent.

3. On 3 August 1983, I telephoned [REDACTED] Chief, Logistics and Procurement Law Division to discuss this sole source procurement approval requirement. [REDACTED] asked [REDACTED] Deputy Chief, Procurement Management Staff, Office of Logistics/DDA [REDACTED] to join the conversation. Both John and Bob were distressed at the approval requirement language in the enrolled bill. [REDACTED] stated that the real "crunch" would arise in FY 86, when the threshold level for this approval requirement would be \$300,000.

4. Following my discussion with procurement, I telephoned OMB to determine unofficially the prospects for veto of S. 272. The OMB legislative analyst responsible for S. 272 indicated that OMB had taken "no position" on the bill, that S. 272 had strong support on the Hill and that the prospects for veto were unlikely.

5. Based on these conversations, our office drafted a views letter that expressed concern about the non-delegable sole source approval requirement but that did not seek Presidential veto. In this way, CIA could register its concern and lay the foundation for prospective relief.

6. On 11 August 1983, President Reagan signed S. 272 into law as Public Law 98-72.

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7. On 17 August 1983, [] Chief, Procurement Management Staff/DDS&T [] telephoned me concerning S. 272. He expressed great concern that the Agency had not objected to the sole source approval requirement prior to final passage of the Conference Report on 1 August 1983. He also requested that I keep him informed of procurement matters in the future to prevent further disconnects. I assured him that I would do so.



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